released to State according to the guidelines issued by the Ministry of Finance.

(b) and (c) The Finance Minister had stated in Rajya Sabha on 1.8.2002 that on account of local bodies election difficulties, certain payments were withheld and the matter would be resolved through discussions between Finance Secretary of Bihar and officers of the Union Ministry of Finance. The matter has since been discussed and as a special case, a sum of Rs. 108.75 crores being the grants for the Panchayati Raj Institutions (PRIs) for 2000-01 under EFC recommendations has been released to the Government of Bihar on 6.11.2002.

Expenses of SBIs Officers Associations

1413. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that SBI virtually meets all the cost of organisational meetings of All India State Bank Officers Federation and Associations affiliated to it by holding bipartite meetings at every place where the Federation holds its meetings; and

(b) if so, what is the amount of travelling expenses reimbursed to the office-bearers of the Federation and Associations during the last three years for attending the bipartite meetings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA): (a) and (b) The information is being collected and will be laid on the Table of the House.

Alignment of Bank Saving and Fixed Deposit rates

1414. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are contemplating alignment of Bank Saving and fixed Deposits rates;

(b) if so, in what manner and by when; and

(c) what would be the short-term and long-term effects of such an alignment on the country's economy in general and small depositors in particular?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Reserve Bank of India (RBI) has reported that the interest rates on all term deposits have been deregulated since October, 1997. Currently,

banks are permitted to accept deposits on both fixed and floating rates of interest, subject to approval of their Boards. Interest rates on saving bank deposit are currently regulated by the RBI. This rate has remained unchanged at 4% since April, 2000. In order to support industrial recovery and to promote investment in the economy in the economy, RBI has been pursuing a soft interest rate regime recently. Bank rate has been reduced in stages from 8% in March, 1999 to 5.5% in October, 2002. Similarly commensurate with decline in the inflation expectation, government has reduced the small savings rates during the last three years. There are therefore, early signs of the industrial sector.

VRS in Union Ministries

†1415. PROF. M. M. AGARWAL: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the main features of Voluntary Retirement Scheme being implemented by Union Government;

(b) the names of Sectors/Departments wherein the above scheme is being implemented;

(c) the Department-wise number of employees who have applied for availing benefits of the said scheme and number of persons who have already benefited by the above scheme for the last two years;

(d) whether Government have also accorded its approval to this scheme for insurance companies; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANAND RAO VITHOBA ADSUL): (a) to (c) The Expenditure Reforms Commission had suggested a liberal voluntary retirement scheme for the employees declared surplus. The recommendation was accepted and a Special VRS for surplus Central Govt. employees was introduced on 28th February, 2002. As the scheme was introduced on 28th February, 2002, the question of furnishing information for the last two years does not arise. Implementation is a continuous process. However, certain Ministries, namely M/o Agriculture (4), M/o Commerce & Industry (1), M/o Civil Aviation (2), M/o Small Scale Industries (14) and M/o Tourism (2) have accepted the option for special VRS exercised by the employees declared surplus till 18.11.2002. The main features of the scheme are enclosed. (*See* below)

†Original notice of the question was received in Hindi.